ACCOUNTING-COMPLETE

Test Code: 2900
Version: 01

Specific Competencies and Skills Tested in this Assessment:

**Journalizing**
Journalize an opening entry
Interpret information contained in source documents
Follow principles of double-entry bookkeeping in the journalizing process
Record entries in special journals
Total and post special journals

**Posting**
Post from the special journals to the general and subsidiary ledger accounts
Demonstrate understanding of multicolumn ledger rulings
Use appropriate posting references in the books of original entry and ledgers
Prove accuracy of posting

**Payroll Preparation**
Calculate employee earnings based on hourly time records
Enter payroll data in a Payroll Earnings Record
Complete a Payroll Register from partial data
Prepare a payroll check
Record information supplied on W-4 forms in Employee Data Section of a Payroll Register
Demonstrate understanding of various payroll taxes and their treatment on a set of books
Journalize a payroll entry at the end of an earnings period in the appropriate journal
Demonstrate understanding of the processes and functions of time cards, payroll register, payroll earnings forms

**Banking and Banking Procedures**
Complete check stubs or register and checks
Enter appropriate data on a deposit slip
Reconcile a bank statement

**Merchandise Inventory**
Demonstrate knowledge of the merchandise inventory account in making the proper adjustments
Analyze the effect on various accounts by the purchase and/or sale of merchandise
Demonstrate the ability to determine the cost of merchandise sold
Accounting continued

**Completion of Accounting Cycle**
Complete an eight- or ten-column worksheet (different textbook approaches)
Prepare the needed financial statements from a completed worksheet
Verify the financial statements against the worksheet for accuracy
Record and post adjusting and closing entries
Prepare post-closing trial balance from general ledger
Locate and correct accounting errors

**Locating Source Data**
Identify uses of various business forms used in connection with bookkeeping/accounting records
Locate data from the appropriate bookkeeping/accounting record or source document

**Mechanical/Electronic Accounting Devices**
Use calculator or adding machine
Demonstrate ability to understand a flowchart
Demonstrate familiarity with basic computer terminology

**Advanced Accounting Practices**
Differentiate between the basic concepts of accounting
Demonstrate understanding of departmentalized accounting
Demonstrate understanding of the terminology relating to cost accounting and the effects on various accounts
Demonstrate the use of entries to establish and replenish the petty cash fund
Apply the various methods of maintaining inventory
Differentiate between proprietorship, partnership and corporation
Demonstrate accounting procedures used in partnerships
Record accounting entries for the installment system of sales
Determine the uncollectible accounts through the aging of accounts receivable
Record bookkeeping entries for distributing dividends
Recognize goodwill and make appropriate journal entries
Record entries for research and developmental costs
Demonstrate understanding of types of stocks, dividends, declarations and payments
Record entries for corporations issuing cash dividends
Compute and analyze net yearly income for a corporation from two consecutive balance sheets
Accounting continued

Written Assessment:

Administration Time: 3 hours
Number of Questions: 159

Areas Covered:

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>33%</td>
<td>Journalizing and Posting</td>
</tr>
<tr>
<td>8%</td>
<td>Payroll Preparation</td>
</tr>
<tr>
<td>10%</td>
<td>Banking and Banking Procedures</td>
</tr>
<tr>
<td>5%</td>
<td>Automated Accounting</td>
</tr>
<tr>
<td>5%</td>
<td>Merchandise Inventory</td>
</tr>
<tr>
<td>11%</td>
<td>Completing the Accounting Cycle</td>
</tr>
<tr>
<td>28%</td>
<td>Advanced Accounting Practices</td>
</tr>
</tbody>
</table>

Sample questions:

The title of the controlling account for the accounts payable ledger is
A. Purchases
B. Sales
C. Accounts Payable
D. Accounts Receivable

Taxes that are the employer's sole responsibility are considered to be a/an
A. expense of a business
B. asset of a business
C. deduction from capital
D. addition to employee earnings

Checks outstanding are
A. added to the bank balance
B. subtracted from the bank balance
C. added to the checkbook balance
D. subtracted from the checkbook balance

In an automated accounting system,
A. debits and credits are reversed
B. only debits are used
C. debits and credits are used the same as in a manual system
D. only credits are used

The Capital Statement of Owner's Equity ending balance is found
A. on the worksheet
B. on the Income Statement
C. on the Balance Sheet
D. in the general journal
Accounting continued

Performance Assessment:

Administration Time: 4 hours and 30 minutes
Number of Jobs: 11

Areas Covered:

6%  Account Balances
Accuracy.

8%  Journalizing

6%  Posting

4%  Banking

10%  Payroll Accounting

7%  Worksheet

26%  Financial Statements

11%  Form Identification
Location of essential information from a variety of source documents or formal records. Economy of time.

6%  Cost Accounting
Accuracy. Economy of time.

8%  Comparison of Financial Statements

8%  Advanced Journalizing

Sample Job: Journal Entries

Estimated Job Time: 45 minutes

Participant Activity: The participant is to record ten journal entries. Using the ten source documents provided in the participant’s test booklet, the participant must determine the appropriate journal to use and record the entries.